

A bill for an act
relating to natural resources; directing the commissioner of natural resources
to increase timber sales based on appraised value only; authorizing a forest
management lease pilot project.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. **APPRAISED VALUE TIMBER SALES; FISCAL YEARS 2010 AND 2011.**

(a) During fiscal years 2010 and 2011, the commissioner of natural resources shall increase the amount of timber products sold from state lands under permits based solely on the appraiser's estimate of the timber volume described in the permit, as provided in Minnesota Statutes, section 90.14, paragraph (c).

(b) The commissioner shall evaluate sales of timber under paragraph (a) and other methods used to sell cut forest products from state lands to identify the method, or combination of methods, that is most efficient and effective in protecting the fiduciary interest of the state, including the permanent school fund.

(c) By January 15, 2011, the commissioner shall report to the house and senate natural resources policy and finance committees and divisions on the findings of the evaluation process completed under paragraph (b).

Sec. 2. **FOREST MANAGEMENT LEASE-PILOT PROJECT.**

(a) Notwithstanding the permit procedures of Minnesota Statutes, chapter 90, the commissioner of natural resources may lease up to 10,000 acres of state-owned forest lands for forest management purposes for a term not to exceed 21 years. The lease shall provide:

2.1 (1) that the lessee must comply with timber harvesting and forest management
2.2 guidelines developed under Minnesota Statutes, section 89A.05, adopted by the Minnesota
2.3 Forest Resources Council, and in effect at the time that the lease is issued; and

2.4 (2) for public access to the leased land that is the same as would be available under
2.5 state management.

2.6 (b) For the purposes of this section, the term "state-owned forest lands" may include
2.7 school trust lands as defined in Minnesota Statutes, section 92.025, or university land
2.8 granted to the state by Acts of Congress.

2.9 (c) By December 15, 2009, the commissioner of natural resources shall provide
2.10 a report to the house and senate natural resources policy and finance committees and
2.11 divisions on the pilot project. The report will detail a plan for the implementation of the
2.12 pilot project with a starting date that is no later than July 1, 2010.

2.13 (d) Upon implementation of the pilot project, the commissioner shall provide an
2.14 annual report to the house and senate natural resources policy and finance committees and
2.15 divisions on the progress of the project, including the acres leased, a breakdown of the
2.16 types of forest land, and amounts harvested by species. The report shall include a net
2.17 revenue analysis comparing the lease revenue with the estimated net revenue that would
2.18 be obtained through state management and silvicultural practices cost savings the state
2.19 realizes through leasing.